

REDEVELOPMENT AGENCY WORK MINUTES
JULY 16, 2014

The Redevelopment Agency held a meeting on Wednesday July 16, 2014, at 5:30 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

MEMBERS PRESENT: Chair Ron Adams; Secretary Paul Cozzens; Members: John Black; Don Marchant; Maile Wilson.

EXCUSED: Councilmember Fred Rowley.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; Finance Director Jason Norris; City Recorder Renon Savage; Police Sergeant Jerry Womack; Fire Chief Paul Irons; Leisure Services Director Dan Rodgeron; Public Works Director Ryan Marshall; Economic Development Director Brennan Wood; Events Coordinator Byron Linfoord; Project Engineer Trevor McDonald.

OTHERS: Tom Jett, Bob Platt, Dan Roberts, Steve Baden, Coddie Baden, Tyler Braun, Cassi Orton, Keith Nicholes, Blake DeMille, Austin Jones, Alan Jones, Marilyn Kidwell, Douglas Hall, Holly Coombs.

CALL TO ORDER: Pastor Baden of Light of the Valley church gave the opening prayer; the pledge of allegiance was led by Mayor Wilson.

AGENDA ORDER APPROVAL: Councilmember Marchant moved to approve the agenda order for the RDA and City Council meetings; second by Mayor Wilson; vote unanimous.

ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS; STAFF

COMMENTS: ■ Mayor – we have got a letter drafted, signed and ready to be mailed to the Congressmen on the Coal Creek project. I will follow up with each of them after the letter is mailed. ■ Black – I thought the only ones still in the flood plain is the far end. Kit – they are all still in the flood plain, they won't give a letter for partial map revision to remove the flood plain.

PUBLIC COMMENTS: ■ Tom Jett – those that made it to the car show for July Jamboree, it was wonderful, fantastic turnout and a lot of positive comments, clean and music was fantastic. It was 12 years ago the first date with my wife, I congratulate the sponsors they pulled off an incredible event and thank those that organize that event. Black – kudos to Dan's staff that helps with that event. ■ Marchant – I caught a vision of the new SUMA Arts center and have to admit it is one of the ugliest buildings I have ever seen. I can't image us thinking that it will tie into our environment and Shakespeare. Someone needs to take another look. We could design something that would fit in and be beautiful.

APPROVAL OF PORT 15 INCENTIVE FOR PROJECT MAGNOLIAS –

BRENNAN WOOD: Brennan – as you are aware I have been working on a project for 8 months and we need to talk about an incentive offer. It is a steel fabrication company out of Georgia and they are looking for a southwestern site. They are looking in Utah, Nevada and Arizona. They need rail to bring the steel in, and they would use I-15 to truck the product out. We are a great location; it is a 3 phase project with 50 jobs with each phase. Port 15 is a RDA project area, established and collecting tax increment for the past 5 years, it is a 15 year project. The entities involved are shown on Exhibit “A”. 11.22% is for incentives in the project area. I have been working with Tom Pugh and Brent Drew of Quantum on this project. It would require 20 acres, we are looking a few sites, one across the railroad tracks, and the utilities are stubbed to this area. They would have to move the road about 400 feet if they choose that site. The other site is on the left side of the road. We are in competition with 2 other sites. They are currently filling out a GoEd application, to do that the City has to support the project. We are proposing to use a portion of the funds to incentivize this project. \$25,000 for training of residents, and up to \$51,000 for improvement within Port 15, the storm drain will most likely have to be moved. The project would be moving the storm drain and employee training and the incentive would be not to exceed \$76,000. I have had a number of meetings with Project Magnolias, they have been here 3 times. I have spent time with them in Idaho looking at one of their newer sites. Marchant – what other cities? Brennan – they have not specifically said, but I think outside Phoenix and Kingman. We feel the incentive would be an appropriate use of the funds. We want to grease the wheels on this project and also help Port 15 to make other property available. I believe we are 30 to 60 days away from the State incentive and their decision.

Mayor – in 5 years you have collected \$95,000 and we are offering them \$81,000, is that a concern? Brennan – no, if this project comes into Port 15 it will increase the value and revenue collected. The money is to help with momentum for Port 15 and increase funds for the next project. Don't set on dollars if you have a project ready to go as well as create good jobs. The ATC is increasing their welding by triple and it would be a good partnership. Marchant – that would be a win/win. Brennan – all the welders are finding jobs elsewhere. The project is steel beams they are cutting, bending and shaping. It is very clean the waste stream is next to nothing. This is for steel buildings, the more complicated they are more likely to land the job. They create an entire kit for buildings. The steel comes in on rail and then it is shipped out by truck. It is a very clean and quiet facility. Black – how soon do you need to know? Brennan – the action meeting in 2 weeks is sufficient. Black – 8 months? Brennan – yes and three site visits with them. It has been good working with Quantum, the company is also similar to GAF, and they are a quality company. Black – we need to be excited about activity at Port 15.

ADJOURN: Councilmember Marchant moved to adjourn and move into the City Council meeting at 5:55 p.m.; second by Councilmember Black; vote unanimous.

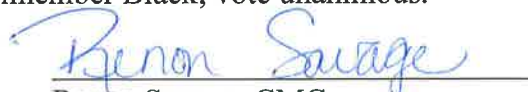

Renon Savage, CMC
City Recorder

EXHIBIT "A"
JULY 16, 2014 REDEVELOPMENT AGENCY

**Cedar City Redevelopment Agency
Port 15 Utah Project Area
Tax Increment Allocation**

Tax Year	Total Tax Increment	Affordable Housing 20.00%	Iron County School District 22.30%	Admin Fee 5.00%	Cedar City Incentive 11.22%	Payments to Developer 41.48%	Total Allocated 100.00%
1 2009	\$ 82,174.78	\$ 16,434.96	\$ 18,324.98	\$ 4,108.74	\$ 9,220.01	\$ 34,086.10	\$ 82,174.78
2 2010	\$ 69,178.19	\$ 13,835.64	\$ 15,426.74	\$ 3,458.91	\$ 7,761.79	\$ 28,695.11	\$ 69,178.19
3 2011	\$ 262,219.97	\$ 52,443.99	\$ 58,475.05	\$ 13,111.00	\$ 29,421.08	\$ 108,768.84	\$ 262,219.97
4 2012	\$ 225,650.27	\$ 45,130.05	\$ 50,320.01	\$ 11,282.51	\$ 25,317.96	\$ 93,599.73	\$ 225,650.27
5 2013	\$ 214,135.13	\$ 42,827.03	\$ 47,752.13	\$ 10,706.76	\$ 24,025.96	\$ 88,823.25	\$ 214,135.13
6 2014	\$ -						
7 2015	\$ -						
8 2016	\$ -						
9 2017	\$ -						
10 2018	\$ -						
11 2019	\$ -						
12 2020	\$ -						
13 2021	\$ -						
14 2022	\$ -						
15 2023	\$ -						
	\$ -	\$ 170,671.67	\$ 190,298.91	\$ 42,667.92	\$ 95,746.81	\$ 353,973.04	\$ 853,358.34
	Maximum Payout	\$ 5,544,750			\$ 7,000,000	\$ 7,000,000	\$ 27,723,749

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